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1 (The jury is present.)

2 THE COURT: Excuse me. I interrupted you.

3 So you need to go back to go whatever question you
4 were on before.

5 BY MR. McDONALD:

6 Q Doctor, how about if we put up slide No. 4,
7 please.

8 THE COURT: Doctor, it's right there in front
9 of you. Can you see it?

10 THE WITNESS: Yes, I can. I was just
11 wondering how the jury is seeing it.

12 THE COURT: They have some down there.

13 THE WITNESS: I got that. Okay.

14 BY MR. McDONALD:

15 Q Everybody has a tv. So don't worry.

16 A Is this one of those draw on it screens?

17 Q Yes. So if you hit the lower left corner, all
18 those marks you just put on will disappear.

19 Now, did you put some slides together in
20 connection with getting ready to testify here today,
21 Dr. Shamos?

22 A Yes.

23 Q I'm going to use a few of those this afternoon and
24 probably a few more tomorrow, but you have a summary
25 that you put together. Is this one of the slides you

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1 put together?

2 A Yes.

3 Q Just to clarify here, Mr. Robertson asked me to do
4 this. So we've got four numbered systems on this
5 slide, correct?

6 A Yes.

7 Q Also there's a combination of that EDI plus S3
8 Procurement. Did you also look at EDI plus S3
9 Procurement with the RSS system as well?

10 A Yes, I looked at everything that was alleged in
11 Dr. Weaver's report.

12 Q Would that be a fifth system, in effect, if we
13 were going to add another number or would you just
14 consider that as part of No. 3?

15 A I didn't specifically list it. It should be a
16 fifth one.

17 Q So that would be a fifth one. Then the EDI system
18 plus S3 plus the Punchout, is that the sixth one? Did
19 you look at that one as well?

20 A Yes.

21 Q Now, you have got some brackets here with 1, 2, 3.
22 Do you see that?

23 A Correct.

24 Q What was your summary with respect to those first
25 three products regarding the infringement issue?

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1 A It says on the left, These products use the same
2 item master database, which means that when one is
3 looking for items to order, the only place that is
4 considered is what's in item master. That's not the
5 case for Punchout plus RSS.

6 Q So you put the combination of Punchout plus RSS
7 plus EDI with the lower group there or with the upper
8 group?

9 A Anything that involved Punchout would be in the
10 lower group.

11 Q So that sixth one would be in the lower group and
12 the fifth one would be in the upper group?

13 A Yes.

14 Q So just so we're clear on the record here, those
15 first three systems that are listed here associated
16 with the item master issue, can you summarize what
17 those three systems are?

18 A Well, it's as they say. S3 is the fundamental
19 product that has those three listed modules. No. 2
20 adds in requisition self service. And No. 3 combines
21 EDI, which is a mechanism for a customer to
22 communicate with other parties over electronic means
23 with that combined with S3.

24 Q Those are all products that use the item master
25 database?

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1 A That use only the item master database.

2 Q With respect to Punchout, what were you trying to
3 convey with that information on the left-hand side of
4 this slide?

5 A Well, for Punchout the user has the ability to go
6 and visit a website that is maintained by a vendor or
7 supplier of products and perform a search of those
8 products using that vendor's search capability and
9 that's not available in plain S3.

10 MR. McDONALD: Can you take that slide off
11 for now.

12 BY MR. McDONALD:

13 Q Doctor Shamos, as part of your review of the
14 patents involved in this case and with the file
15 histories, did you look at those materials the
16 standpoint of what one of ordinary skill in the art
17 would consider those materials to mean?

18 A Yes.

19 Q Generally, can you describe for me the person of
20 ordinary skill in the art, as you understood it, for
21 purposes of your analysis?

22 A Yes. The one of ordinary skill in the art is
23 someone who ought to be able to make and use the
24 invention without undue experimentation.

25 So I looked at what was disclosed in the patents

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1 and looked at what level of skill or education would
2 be required for someone to be able to do that, and it
3 has to be somebody with the ability to write computer
4 programs and computer systems. And so, typically,
5 that would be considered to be somebody who has an
6 undergraduate degree in computer science or the
7 equivalent or equivalent experience.

8 And because these are electronic procurement
9 systems, which are of a very serious nature. They
10 involve sometimes very large orders. They are
11 critical to a company. I don't think you would put a
12 novice on a job like that. So I believe that somebody
13 would have needed two years experience in and around
14 commercial ordering systems, electronic procurement
15 systems.

16 Q So when you did your analysis in this case, did
17 you do it with an eye toward a person as you just
18 described would review the patents and understand
19 them?

20 A Yes.

21 Q Is there a time component to that as well in terms
22 of what year that person of ordinary skill would be in
23 existence?

24 A There are different applications of the ordinary
25 skill in the art for infringement and invalidity.

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1 Q Let's stick with infringement at this point. Is
2 there a time component to a person of ordinary skill
3 that you viewed this from the perspective of for
4 purposes of infringement?

5 A Well, to understanding the meaning of the claim
6 terms one goes back to the time when the invention --

7 MR. ROBERTSON: Objection, Your Honor.

8 THE COURT: The answer to the question is at
9 the time of the invention, period, right?

10 THE WITNESS: Correct.

11 THE COURT: And the time of the invention is
12 when the patent is what? Is that your understanding?

13 THE WITNESS: Well, when the application is
14 filed.

15 THE COURT: What's that?

16 Q 1994.

17 A Correct.

18 THE COURT: What?

19 MR. McDONALD: 1994. I'll try to pick it up
20 here at the end. I'm sorry.

21 Q From reviewing these materials to the patents from
22 the perspective of one of ordinary skill, can you
23 summarize for us generally how the patents describe
24 the invention at issue here?

25 MR. ROBERTSON: I'm going to object, Your

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1 Honor, to generally how it describes. In fact,
2 there's a slide here that I was anticipating Mr.
3 McDonald bringing up and we have an objection to
4 because we think it pertains to getting legal
5 opinions. That has been ruled out of the case. Also
6 to attempting to recharacterize or reargue the Markman
7 ruling, in which the Court has given a construction.

8 So how they generally describe it doesn't
9 really matter, Your Honor, and it's going to be a
10 reference here to the prosecution of the patents.

11 MR. McDONALD: Your Honor, I don't have any
12 slides up there. I'm trying to avoid the issues that
13 they raised with us at least to get through this
14 afternoon on that. I'm not talking about the file
15 history at this point.

16 I'm asking about after reading the patents,
17 generally what's the invention, which I think is very
18 helpful to the jury's understanding of a complex case.

19 MR. ROBERTSON: The claims define the
20 invention, Your Honor. It's the claims that the jury
21 is going to have to look at, not some characterization
22 of what generally the invention is.

23 THE COURT: I think Mr. Robertson is right.
24 Sustained.

25 BY MR. McDONALD:

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1 Q Can you tell me --

2 MR. McDONALD: Can we go to slide No. 6,
3 please? Put that up.

4 Q Dr. Shamos, you put this slide together as well,
5 correct?

6 A Yes.

7 Q Does this slide up on the screen right now, is
8 this displaying your No. 1 reason for non-infringement
9 in this case?

10 A It is. There are many reasons. There are two
11 reasons that I think cover a huge fraction of the
12 claims, and we'll go through those two first, and then
13 later on when we get into the individual claims, I'll
14 be able to give the other reasons.

15 Q So what's reason No. 1 of your reasons for
16 non-infringement?

17 A Well, reason No. 1 is 11 out of the 12 claims
18 require a catalog or catalogs. And because Lawson's
19 products don't have a catalog, they can't satisfy the
20 requirements of at least 11 of the 12 claims.

21 Q Why in your opinion do 11 of the 12 claims -- I'll
22 withdraw that.

23 Why in your opinion do Lawson's systems not
24 infringe those 11 claims that you're talking about in
25 some?

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1 A Because 11 of those 12 claims require two or more
2 catalogs and unless you have two or more catalogs, you
3 can't infringe those claims.

4 Q Do you know whether or not Dr. Weaver agrees with
5 you that that infringement would turn on whether or
6 not 11 of those 12 claims have multiple catalogs?

7 A Well, my recollection from his report is his
8 opinion is that they do have catalogs.

9 Q Do you understand he would agree with the
10 principal, though, that if the Lawson systems did not
11 have multiple catalogs, 11 of the 12 claims would not
12 be infringed?

13 A He should agree with it. I don't know.

14 MR. ROBERTSON: Objection.

15 THE COURT: Sustained.

16 BY MR. McDONALD:

17 Q Why don't we go to slide No. 8, please.

18 Do you see up on the screen, Dr. Shamos, this is
19 another slide that you prepared, correct?

20 A Yes.

21 Q Well, what are you depicting here in this slide?

22 A I'm just reiterating the Court's -- literally the
23 Court's construction of the term "catalog."

24 Q How did you use this Court construction of the
25 term "catalog" in your an analysis?

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1 A Well, I looked at item master and I tried to
2 determine whether item master satisfied the Court's
3 construction. And I concluded that it didn't. And so
4 therefore it doesn't have a catalog.

5 Q So when doing that analysis, did you use the Court
6 construction as set forth here on this slide?

7 A It's a basic prerequisite of the analysis.

8 Q If we could go to the next slide that you put
9 together, please. I think this one is not objected
10 to.

11 So here in this next slide, No. 9, Dr. Shamos, can
12 you summarize your reasons why the Lawson system does
13 not have a catalog?

14 A Yes. Right now we're --

15 Q I'll walk you through this step by step here and
16 we'll stick with the question and answer format.

17 A Yes.

18 Q I'll start by saying can you give me a summary of
19 why in your opinion the Lawson systems do not have a
20 catalog as the Court has defined that term?

21 A Well, I think we should just go back to the
22 previous slide and go look through the Court's
23 construction.

24 They are certainly an organized collection of
25 items and associated information in item master. So

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1 that prong of the construction would be satisfied.
2 But that information is not published by a vendor,
3 either a supplier, manufacturer or distributor. It's
4 carefully handpicked by a customer. A customer
5 decides what to import into that item master database,
6 and it doesn't constitute a catalog or even multiple
7 catalogs.

8 Q What is your understanding as to what an item
9 master does in the Lawson systems?

10 A Item master, I think, is intended to represent the
11 universe of items that an employee of a corporation is
12 able to buy regardless of what the source may be.

13 Q What's your understanding as to what sort of
14 information is in the item master in the Lawson
15 systems?

16 A It has information about items. It would have
17 their name, it would have a catalog number, it may
18 have an identification of who's selling the item, an
19 identification of who manufactured the item. It has
20 information about any special pricing terms that are
21 available to this particular customer because of
22 contracts that they may have entered into with
23 suppliers, and other information that the user of the
24 system finds useful to associate with particular
25 items.

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1 Q Can you summarize for me the differences between
2 the Lawson systems item master and catalogs as the
3 Court construed it?

4 A Well, a catalog is a compendium of information
5 about the things that a vendor is offering for sale.

6 THE COURT: I've defined what a catalog is
7 and that's the end of it. Whether anybody agrees with
8 it, that's the catalog definition.

9 MR. McDONALD: Sure.

10 THE COURT: We're not going to have him
11 defining the catalogs. I've told you-all that before.

12 MR. McDONALD: That wasn't my intent.

13 THE COURT: Well, he did. He started off
14 defining it. So let's don't have it. And I don't
15 really want to have to deal with this problem, Mr.
16 McDonald. He can testify, but I don't want to have to
17 be constantly monitoring whether there's compliance
18 with the requirement that the terms are those defined
19 by the Court.

20 BY MR. McDONALD:

21 Q Do you have an understanding as to whether or not
22 the item master in the Lawson systems includes
23 information about a customer's inventory of a given
24 item?

25 A Yes.

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1 Q What sort of information does the item master have
2 about a customer's inventory of a given item?

3 A One piece of information is quantity on hand.
4 Another piece of information that be where the item
5 can be found, where the inventory is physically
6 located.

7 Q When you say where it can be found or located, are
8 you talking about where at the customer's premises it
9 could be located or something else?

10 A It may be that -- well, the customer is typically
11 going to have information about how much of that
12 particular item he has on hand on his premises. He
13 generally doesn't know how much a vendor would have
14 available.

15 Q Are you familiar with how the item descriptions
16 are created for purposes of the item master?

17 A Not in detail. There's a field in item master
18 that allows for a description of a product. Those
19 descriptions can be imported from files provided by
20 vendors or they can be hand created by the customer.

21 Q Have you seen some documents in this case relating
22 to Lawson where they refer to features of the Lawson
23 systems in terms of being able to load vendor catalog
24 data and the like?

25 A Yes.

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1 Q Given that those documents do use the term
2 "catalogs," why is it that you concluded that that
3 wouldn't indicate that the item master has multiple
4 catalogs?

5 MR. ROBERTSON: Objection to the form of that
6 question, Your Honor.

7 THE COURT: What is objectionable about the
8 form? That different documents have different reasons
9 or that he can't testify to it or what?

10 MR. ROBERTSON: He can't testify and
11 characterize what those documents mean and whether
12 they do doesn't mean they comply with the Court's
13 claim construction because they use the term
14 "catalog."

15 THE COURT: So the objection to the form of
16 the question is that he doesn't have any basis for
17 knowing what the author of a particular document
18 meant. Is that right, Mr. Robertson?

19 MR. ROBERTSON: Yes. Thank you for
20 articulating that for me, sir.

21 THE COURT: What's your response to that, Mr.
22 McDonald?

23 MR. McDONALD: I don't think my question was
24 asking what the author of the documents meant. I was
25 asking basically for how he incorporated his analysis

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1 of those documents into his conclusions for this case.

2 THE COURT: I think that's correct, but I
3 think that's a different way of asking the same
4 question. It's sustained.

5 BY MR. McDONALD:

6 Q Do you have an understanding, Dr. Shamos, based on
7 your review of the materials in this case as to how
8 the item master is created in the Lawson systems?

9 A Yes.

10 Q What's your understanding?

11 A When the Lawson software is delivered or installed
12 at a customer, the item master is empty. It has no
13 items in it. It has to be populated with items by the
14 customer. Sometimes with the assistance of Lawson.
15 The sources of information that the customer may use
16 to populate the item master database is completely up
17 to the customer.

18 In some cases, they begin with electronic files
19 that are available from vendors and they pick and
20 choose those items from the vendors that they would
21 like to incorporate.

22 Because the format of item master does not conform
23 to the format of any known vendor's information
24 system, data has to be plucked out and it has to be
25 changed in format so that it can be entered into item

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1 master.

2 Q When you say "plucked," I think that was the word
3 you used, what do you mean by that?

4 A Selected.

5 MR. ROBERTSON: Can I just have a continuing
6 objection to this line of questioning pursuant to the
7 Court's earlier ruling?

8 THE COURT: Yes.

9 MR. ROBERTSON: Thank you, sir.

10 BY MR. McDONALD:

11 Q How did you get that understanding as to how the
12 item master is created, Dr. Shamos?

13 A From reading the deposition testimony.

14 Q I think I forgot to follow-up on the question. I
15 think you used the word plucked, and I just want to
16 clarify. What did you mean by plucking in the context
17 of the item master?

18 A It's in general impossible to import everything
19 from an external file into item master. The reason is
20 that item master has a very particular structure
21 that's set up by Lawson that may not have room for or
22 even field names for everything that might be in that
23 external file. So somebody has to make a decision as
24 to what pieces of information from the external file
25 are going to be imported into item master. And that's

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1 what I meant by plucking. It's really selecting.

2 THE COURT: All right. The way to deal with
3 that is to answer that I meant by "plucking,"

4 selecting, without all of the other material, Dr.

5 Shamos, because then you aren't answering the question

6 that was asked. And the lawyer on the other side

7 doesn't even have an opportunity to object except to

8 strike the answer. And then we have confusion. So

9 please confine your answers to the question that's

10 asked and only the question that's asked.

11 THE WITNESS: I understand, Your Honor.

12 THE COURT: Okay.

13 BY MR. McDONALD:

14 Q So this catalog issue in the item master not being
15 multiple catalogs, that deals with 11 of the 12
16 asserted claims, right?

17 A Yes.

18 Q Now, let's turn to the 12th claim.

19 MR. McDONALD: Could we go to slide No. 12,
20 please.

21 Q Did you also put this slide together, Dr. Shamos?

22 A Yes.

23 Q Is this slide relating to that 12th claim?

24 A Yes.

25 Q Can you summarize for us why in your opinion that

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1 12th claim, which is Claim One of the '172 patent, in
2 your opinion is not infringed by any of the Lawson
3 systems in this case?

4 A Yes. It pertains to this limitation in the second
5 bullet point there. That claim requires, and it's in
6 quotation marks. It's the literal language of the
7 claim. Database containing data relating to items
8 associated with at least two vendors maintained so
9 that selected portions of the database may be searched
10 separately. And it's not possible to perform that
11 kind of search in the Lawson system. You can't search
12 selected portions separately.

13 Q Why can't you search selected portions of the
14 Lawson database separately?

15 A There's no mechanism for even specifying such a
16 portion. It's item master that is searched. I can't
17 say I want to look at the right half or the left half
18 or the first half of item master.

19 Q Do the patents-in-suit, do they describe some
20 functionality relating to selecting portions of a
21 database to search?

22 A Yes, there are limitations.

23 MR. ROBERTSON: I'm going to object because
24 it's plain language that controls. This claim term
25 wasn't construed, so it has its ordinary meaning. The

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1 suggestion is now we're going to go to the
2 specification that Dr. Shamos is going to provide a
3 construction for this term that was not in dispute
4 among the parties.

5 MR. McDONALD: We're not talking about claim
6 construction, Your Honor. I think we're going to find
7 an illustrative example. I'll make that very clear.
8 It's an illustrative example of what the patents are
9 really talking about when they talk about selecting
10 portions to search. It's really to help the jury
11 understand what's going on here.

12 THE COURT: Are you talking about finding an
13 illustrative example where?

14 MR. McDONALD: In column 9.

15 THE COURT: In the specification?

16 MR. McDONALD: Yes. The preferred
17 embodiment. Certainly the expert should be allowed to
18 talk about the preferred embodiment of the invention
19 to help explain how he reached his opinion, sir.

20 THE COURT: He can talk about that. That
21 wasn't the question. Just ask him did he consider the
22 preferred embodiment in arriving at his opinions, and
23 what did he conclude from that.

24 He can do that, can't he, Mr. Robertson?

25 MR. ROBERTSON: Well, Your Honor, I think --

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1 THE COURT: With the instruction of the jury
2 that the invention is not confined to the preferred
3 embodiment. That's just an example. But as long as
4 the jury understands that, can't Dr. Shamos answer
5 that question?

6 MR. ROBERTSON: With that instruction, Your
7 Honor, I withdraw the objection as long as we
8 understand the claims and we're not talking about the
9 preferred embodiment.

10 THE COURT: No, he can say how he used the
11 preferred embodiment to arrive at his opinions with
12 the understanding for the jury that the preferred
13 embodiment is not part of the claim. It's an example
14 of how you can use the invention in the claim.

15 Is that correct, counsel? Is that a correct
16 statement?

17 MR. ROBERTSON: Yes.

18 MR. McDONALD: Yes, it's a preferred
19 embodiment, but just one embodiments of the claims.

20 THE COURT: One of perhaps many? All right.
21 That question you can ask, but it's not on the table.
22 So go ahead and ask it.

23 MR. ROBERTSON: Your Honor, I want to renew
24 one additional objection, and I apologize, but this
25 was not Dr. Shamos' report.

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1 THE COURT: This isn't his report?

2 MR. ROBERTSON: It's not in his report.

3 THE COURT: Oh, it's not in his report.

4 All right. Show me, counsel, where it is in
5 his report. I have the report here.

6 MR. McDONALD: All right.

7 THE COURT: Well, what I have here is
8 actually the -- what do you call these?

9 THE WITNESS: The spreadsheets.

10 THE COURT: The spreadsheets. Thank you very
11 much. I have the spreadsheets. I have the rest of
12 the report also, don't I?

13 MR. McDONALD: Do you have the reports as
14 well?

15 THE COURT: I do have the reports. I have
16 the report and I just need to find what I've got.
17 Well, let's see. I have the rebuttal report of
18 non-infringement. Is that what you're talking about
19 that's not in? Is that correct? I mean, is that what
20 we're talking about?

21 MR. McDONALD: That's what we're talking
22 about.

23 THE COURT: So I now have the right data. If
24 somebody would like to tell me where it is. Just
25 refer, me to either a paragraph or to the designation

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1 system used by Dr. Shamos on his chart or I guess
2 there's a page or something on it, isn't there?

3 MR. McDONALD: I think a paragraph 229 of his
4 report, Your Honor, is the relevant place to go to
5 refer to his opinion.

6 THE COURT: Do you have a page number?

7 MR. McDONALD: No, I don't.

8 THE COURT: Wait just a minute.

9 MR. McDONALD: That's pages 63 to 64, Your
10 Honor.

11 THE COURT: It's at 229.

12 MR. McDONALD: Paragraph 229 goes into the
13 issue of selecting catalogs to search.

14 What I can do is just walk him through that
15 paragraph. I'll withdraw that pending question and
16 we'll take it a step at a time and see if we can just
17 do it that way.

18 THE COURT: All right.

19 BY MR. McDONALD:

20 Q Dr. Weaver --

21 THE COURT: No.

22 MR. McDONALD: Did it again.

23 THE COURT: He's sensitive to this Dr. Shamos
24 because I renamed him several times.

25 MR. McDONALD: That's right. I have to take

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1 it out on somebody.

2 BY MR. McDONALD:

3 Q Dr. Weaver, why is it?

4 MR. McDONALD: I did it again.

5 THE COURT: I'm wondering if -- we'll try one
6 more time. If we can't, we'll adjourn.

7 Q Dr. Shamos.

8 A Yes, that's correct.

9 Q Thank you.

10 MR. McDONALD: Is that okay to be leading,
11 Your Honor, on that one?

12 THE COURT: Lead him right down the road.

13 Q Dr. Shamos, what is it about the structure and
14 operation of the item master in the Lawson system that
15 precludes selected portions of it from being searched
16 separately?

17 A Well, there are several mechanisms. One is that
18 there isn't a screen or capability that says I would
19 like to search such and such portion. You can't even
20 specify it.

21 Furthermore, the organization of the item master
22 database doesn't allow, for example, selection or
23 searching separately by one vendor or another. It's
24 just not organized that way. That kind of search is
25 even precluded by the organization of the database.

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1 Q How do you know that?

2 A Oh, because there's a document that I looked at
3 that's part of Lawson's documentation that describes
4 every field in the item master database.

5 Q Do you have an understanding as to what the other
6 expert, Dr. Weaver, says about how indexing relates to
7 whether or not the Lawson system would satisfy this
8 claim?

9 A I don't know what he said here. I know what he
10 said in his report.

11 Q Okay. Do you believe that the indexing done in
12 the Lawson item master would mean that the item master
13 in effect has selected portions that may be searched
14 separately as required by Claim One of the '172
15 patent?

16 A No.

17 Q Why is it that that indexing feature of the item
18 master doesn't result in infringement of Claim One of
19 the '172 patent, Dr. Shamos?

20 A Because all indexing does is it speeds up a
21 search. It doesn't allow you to eliminate a portion
22 of the database from being searched.

23 Q The index, is that a selected portion of the
24 database?

25 A No.

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1 Q Why not?

2 A No one is doing the selecting.

3 Q Now, is it your understanding in the patent that
4 the preferred embodiment, does it describe selecting?

5 MR. ROBERTSON: Objection, Your Honor. This
6 is what is not in Dr. Shamos' report.

7 THE COURT: Please ask the question again. I
8 was trying to look at something that he said, and I'm
9 not sure I got it exactly.

10 BY MR. McDONALD:

11 Q Well, Dr. Shamos, as part of your report --

12 THE COURT: Don't answer, Doctor, because
13 there's obviously going to be an objection.

14 MR. McDONALD: Maybe not on this one.

15 THE COURT: Maybe not on this one. Okay.

16 MR. McDONALD: Hope springs eternal.

17 BY MR. McDONALD:

18 Q Dr. Shamos, as part of your analysis specific to
19 Claim One of the '172 patent, did you look at the
20 preferred embodiment descriptions, the description in
21 the patent?

22 MR. ROBERTSON: He can answer that question
23 if he looked at it.

24 A Yes.

25 Q Did that analysis contribute to your conclusion

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1 that Claim One of the '172 patent is not infringed?

2 A It may have contributed to it. I think there are
3 multiple reasons it's not infringed. I think one of
4 those reasons is bolstered by a description of the
5 preferred embodiment.

6 Q Is there any discussion in the '172 patent or the
7 other patents-in-suit that indicate that indexing a
8 database is what is meant by selected portions of the
9 database may be searched separately?

10 A No.

11 Q How sure are you of that?

12 MR. ROBERTSON: Object, Your Honor. It
13 doesn't have to be in order -- there has to be an
14 embodiment. It doesn't have to be an index in there
15 in order to satisfy the claim language. The claim
16 language is what the claim language is. Again, he's
17 trying to limit it to a preferred embodiment.

18 MR. McDONALD: I'm just asking questions one
19 at a time, Your Honor. We can't answer every question
20 at once here.

21 THE COURT: The question that's actually on
22 the table is how sure are you of that, and that's not
23 a proper question. But the substantive question to
24 which the objection was taken is overruled. And his
25 answer is already on the record on that.

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1 BY MR. McDONALD:

2 Q Dr. Shamos, can we turn now to slide No. 17 here
3 and your reason No. 2 for non-infringement. This is
4 another slide you prepared; is that correct?

5 A Yes.

6 Q What is your reason No. 2 for non-infringement?

7 A Ten of the 12 claims require selecting catalogs to
8 search. If there's no catalog, and certainly if
9 there's not more than one catalog, it's not possible
10 to select catalogs to search.

11 Q Do you have and understanding from reading
12 Dr. Weaver's report as to what he is saying is how
13 Lawson system selects a catalog or catalogs to search?

14 A I don't recall it sitting here.

15 Q All right.

16 THE COURT: I didn't hear what you said.

17 THE WITNESS: I don't recall it sitting here.
18 I'm sure I read it. I just can't spit it back out
19 now.

20 Q Do you recall whether Dr. Weaver in his report
21 talked about a keyword search relating to selecting
22 catalogs to search for purposes of the claims in this
23 case?

24 A I do recall that.

25 Q What is your understanding as to the reason

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1 Dr. Weaver says the Lawson system selects catalogs to
2 search?

3 A I couldn't make any sense out of it. There's a
4 keyword search function and it's --

5 Q When you say "keyword search function," what are
6 you talking about right now?

7 A So, for example, if I wanted to --

8 Q I'm just saying what system?

9 A S3.

10 Q The Lawson system?

11 A The Lawson system yes.

12 Q So you're talking about the keyword search in the
13 Lawson system, right?

14 A Yes.

15 Q I'm sorry. Go ahead.

16 A If a keyword appears in a record in the item
17 master database, then it can be retrieved using
18 keyword search. If, for example, and I think this has
19 something to do with the example in Dr. Weaver's
20 report, suppose when I was entering the description of
21 an item I happen to also put the manufacturer's name
22 in there like Dell, for example, for a computer
23 manufacturer. So instead of just saying and X3D
24 computer, I put Dell X3D.

25 And then later on someone went and searched for

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1 the keyword "Dell," then that particular record would
2 be retrieved. But that describes what's retrieved.
3 It doesn't describe what gets searched. What gets
4 searched is all of item master.

5 Q So is it your understanding that these claims
6 require that you select the catalogs to search and
7 then search them?

8 A Well, the claims do require that. The selecting
9 step is just the selecting step, but then the search
10 is then restricted to those catalogs that are
11 selected.

12 Q In the Lawson keyword search, does it not have
13 that process then, is that what you're saying, of
14 selecting catalogs to search and then searching them?

15 A That's correct. There's only item master.

16 Q Now, if we could return to Claim One of the '172
17 patent. I think I might have overlooked it. There
18 was a second reason. That one claim, that doesn't
19 explicitly use the word "catalogs," at least another
20 reason it doesn't infringe in your opinion other than
21 the one you already described; is that correct?

22 A I think so.

23 Q Could we turn to slide No. 13, please? Did you
24 also put together this slide Dr. Shamos?

25 A Yes.

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1 Q This relates to that 12th claim that does not
2 explicitly use the word "catalog," is that correct?

3 A Yes.

4 Q What are you trying to portray to us here in this
5 slide with respect to your analysis of why Claim One
6 of the '172 patent is not infringed?

7 A One of the elements of that claim is means for
8 generating an order list. And what I have after that
9 first bullet point, the function and structure. The
10 function is taken from the Court's construction.
11 Structure, I took the first part of the Court's
12 construction. I left off the specific examples of
13 structure that were in the construction. But that's
14 because I don't think that's necessary on this
15 particular slide.

16 The question is: If there can't be an order list,
17 then there certainly can't be a means for generating
18 an order list.

19 And the construction of order list is a list of
20 desired catalog items. And if there's no catalog, you
21 can't have a list of desired catalog items. You could
22 have a list of desired items.

23 MR. McDONALD: Can we go to Plaintiff's
24 Exhibit No. 3? Is that the '172 patent, Plaintiff's
25 Exhibit 3?

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1 BY MR. McDONALD:

2 Q And go to Claim One, please. This starts at the
3 bottom left column. Let's blow up the bottom left
4 column to start off here.

5 So do we have up on the screen right now, Dr.
6 Shamos, at least a portion of Claim One of the '172
7 patent?

8 A Yes.

9 Q I think you can touch the screen here if that will
10 help. Can you indicate where in this claim it talks
11 about that order list issue?

12 A I'll do it without touching it. It's line 65.
13 Means for generating an order list that includes at
14 least one matching item selected by said means for
15 search.

16 Q Is that the element that you were talking about
17 when we were talking though slide 13?

18 A Yes.

19 THE COURT: That's the element that's not in
20 the Lawson system in your opinion. Is that what
21 you're saying?

22 THE WITNESS: That's correct.

23 BY MR. McDONALD:

24 Q Is that at least one of the reasons for
25 non-infringement of this particular claim?

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1 THE COURT: That's reason No. 2, right?

2 MR. McDONALD: Well, actually --

3 THE COURT: Well, you started off with reason
4 No. 2.

5 MR. McDONALD: It probably caused a little
6 confusion.

7 BY MR. McDONALD:

8 Q This specific one, is this reason No. 2, Dr.
9 Shamos, in your slides?

10 A Well, it's a second reason that the '172 claim is
11 not infringed.

12 Q Thank you.

13 Can we blow up the rest of Claim One here in the
14 next column?

15 Does the concept of an order list come up in any
16 of the other elements of Claim One of the '172 patent,
17 Dr. Shamos?

18 A Yes, it's a requirement of the means for building
19 a requisition, that first element at the top of the
20 rectangle.

21 Q In what sense is an order list required for that
22 element?

23 A Well, it's the order list is explicitly mentioned
24 in that means. Means for building requisition that
25 uses data obtained from said database relating to

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1 selected matching items on said order list. And if
2 there's no order list, then that means for binding a
3 requisition cannot exist.

4 Q So this is a second element in Claim One of the
5 '172 patents that requires this concept of an order
6 list being involved in the Lawson system?

7 A Yes.

8 Q And the Lawson system doesn't have that order
9 list, correct?

10 A That's right.

11 Q Let's return now to picking up where we left off
12 there after we left Claim One.

13 THE COURT: Before you finish, on Claim One
14 there are really three reasons why you think there's
15 no infringement then. One is that you can't search
16 selected portions separately of the database. And the
17 other two are the ones you just testified to having to
18 do with the order list; is that right?

19 THE WITNESS: Yes, you could count them as
20 three, but I was coalescing the last two because they
21 both relate to order list.

22 THE COURT: Okay. It's fair to say there's
23 no order list function.

24 THE WITNESS: That's right.

25 THE COURT: And that's really the two reasons

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1 why you say that in the claims?

2 THE WITNESS: Yes, because it shows up in two
3 different means, elements, but it's the same reasons
4 sort of.

5 MR. McDONALD: If we could go back to the
6 first few elements of Claim One, Bill, of the '172
7 patent.

8 BY MR. McDONALD:

9 Q Dr. Shamos, the Judge referred to the other reason
10 other than the one relating to the order list. Can
11 you tell me which element your other reason for
12 non-infringement of this claim, where the other
13 element is that relates to that other non-infringement
14 reason?

15 A Yes. It's right below the line labeled 1 at the
16 top beginning, A database containing data relating to
17 items. That element at the end. So that selected
18 portions of the database may be searched separately.
19 You can't select separate portions of the database in
20 item master.

21 Q So is it true that if the Lawson system is lacking
22 either one of those two features of Claim One, that it
23 would not infringe Claim One?

24 A That's right.

25 THE COURT: That's his opinion.

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1 MR. McDONALD: Okay.

2 Q Is that your opinion, Dr. Shamos?

3 A Well, it's my opinion that it's missing all of
4 them. It's also my opinion if it were missing any one
5 of them, the claim wouldn't be infringed.

6 Q Now, with respect to your reason No. 2, can you
7 again just summarize briefly for us your main reason,
8 No. 2, why 10 of the 12 claims aren't infringed?

9 THE COURT: We're no longer on the '172
10 patent, Claim One.

11 MR. McDONALD: That's correct. Why don't we
12 go back to slide 17 from Dr. Shamos' slides.

13 THE COURT: Did you think he was unclear? I
14 thought he was pretty straightforward in what he said.

15 MR. McDONALD: That's just music to my ears,
16 Your Honor, when I'm examining an expert witness.

17 THE COURT: I don't think you need to repeat
18 everything unless you think there was some confusion.

19 MR. McDONALD: Okay.

20 BY MR. McDONALD:

21 Q So to summarize here your reason No. 2 for
22 infringement, Dr. Shamos, is that up on the screen
23 right now with this slide you prepared?

24 A Yes.

25 Q In a nutshell, what is your reason No. 2 for

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1 non-infringement?

2 A If there are no catalogs, you can't select
3 catalogs to search. Surely true if there aren't
4 multiple catalogs.

5 Q And that reason applies to 10 of the 12 claims,
6 correct?

7 A Yes.

8 Q So the other 2 claims, one of them is that '172
9 patent, Claim One, that we were just talking about,
10 right?

11 A That's right.

12 Q Do you recall what the other claim is of the 12?

13 A I don't recall it by number.

14 Q Can we go to slide No. 20 of the slides you
15 prepared?

16 This one talks about remaining claims for reason
17 No. 2; is that right, Dr. Shamos?

18 A Yes.

19 Q Does this refresh your recollection of a specific
20 claim of the specific patent involved with the other
21 one of those two claims that doesn't get addressed by
22 your reason No. 2?

23 A Yes, it does.

24 Q Which claim is that second claim?

25 A It's the '516, Claim 9. That doesn't require

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1 selecting catalogs, but it does require two catalogs
2 or a collection of catalogs.

3 MR. McDONALD: Can we put up from the 516
4 patent, I believe that's Plaintiff's Exhibit 2, Claim
5 9, please.

6 BY MR. McDONALD:

7 Q Looks like that one carries over to the next page
8 as well. So I guess we'll just take this one a few
9 elements at a time here, Dr. Shamos. All right?

10 Let's just say take a look at this Claim 9 of the
11 '516 patent and walk us through which elements of that
12 particular claim are elements in your opinion are not
13 found in the Lawson systems.

14 A Yes. We're just focusing on my first two reasons,
15 but the first element, a collection of catalogs of
16 items stored in an electronic format, there isn't a
17 collection of catalogs in S3.

18 Q That's for the reasons you have already gone
19 through?

20 A That's right.

21 Q Are there any other elements in these first few
22 elements that are up on the screen right now regarding
23 Claim 9 of the '516 patent that relate to your reason
24 No. 1 or reason No. 2 for non-infringement?

25 A Yes. If you don't have a collection of catalogs,

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1 you can't have a first catalog and a second catalog.
2 So that second identification code associated with a
3 second item in a second catalog can't exist because
4 there is no second catalog. Even if there were a
5 first catalog.

6 MR. McDONALD: All right. Now, Bill, can you
7 go ahead and highlight any other elements of Claim 9
8 that might have carried over to the other column to
9 make sure we have covered what we want to cover at
10 this point.

11 BY MR. McDONALD:

12 Q So we have now got the carryover portion of Claim
13 9 of the '516 patent up on the screen; is that right,
14 Dr. Shamos?

15 A Yes.

16 Q Does that last part now that's just been added to
17 the screen, does that relate at all to your reasons
18 No. 1 and 2 for non-infringement?

19 A Yes. Because that last limitation wherein a
20 selection, etc., that refers to first and second
21 catalogs. And in the last line it refers to the other
22 of said catalogs. If you don't have catalogs, you
23 can't have first and second. You can't have other.
24 And even if you had one catalog, you wouldn't have
25 first and second or other.

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1 Q So while we're on the '516 patent, I'd like to
2 turn now and go through each of the 12 asserted claims
3 one at a time just to make sure we've hit each one of
4 them, all right?

5 A Yes.

6 THE COURT: You're shifting gears?

7 MR. McDONALD: Yes.

8 THE COURT: I think it's a good place to let
9 the jury go home for the night.

10 MR. McDONALD: Sustained.

11 THE COURT: Thank you. I appreciate that.

12 Ladies and gentlemen, we'll start in the
13 morning. Now, how are you finding nine o'clock? Is
14 it okay to do it? All right. Nine o'clock. I'll get
15 here a little earlier with the donuts.

16 Drive carefully. Leave your notebooks with
17 Mr. Neal. He'll take care of them for you.

18 (The jury is out.)

19 MR. McDONALD: Your Honor, I just got word.
20 We did file a responsive brief to ePlus' brief on this
21 intent.

22 THE COURT: It's too late.

23 MR. McDONALD: Can I suggest --

24 THE COURT: Response time lapsed. Do you
25 mind if I read it?

1 MR. McDONALD: Yes. I was just going to
2 suggest, does it make sense to come in a few minutes
3 before nine in the morning tomorrow?

4 THE COURT: Not if I'm going to get the
5 donuts as I promised from Westmoreland Bakery.

6 Mr. Neal offered to get them, but I think
7 maybe we'll just do that at some break.

8 But I needs the cases and the brief. She's
9 printing off the brief right now. And I'll look at
10 those tonight. I'll take them home with me and read
11 them and then we'll find some time tomorrow to do it.

12 How long is Dr. Shamos' testimony going to
13 go?

14 MR. McDONALD: I think another hour or so,
15 Your Honor, on direct anyway. And just to be clear
16 here, and I've talked to Mr. Robertson about this and
17 I think we're all in agreement on this, our
18 understanding anyway is I should just be putting up
19 Dr. Shamos right now for infringement. Then we're
20 going to bring him back to talk about validity issues
21 later once we've had our validity witnesses come in
22 and testify when we get to that part of the case.

23 Is that consistent with Your Honor's
24 understanding?

25 THE COURT: I was envisioning breaking up the

1 testimony by topic. I wasn't saying he should hit the
2 road and come back. I didn't mean that. You're
3 saying you need predicate witnesses to make his
4 testimony better understood?

5 MR. McDONALD: I think it's logical.

6 THE COURT: It's all right to do it that way
7 if you-all had planned to do it that way.

8 MR. McDONALD: That's what we've given
9 Mr. Robertson notice of.

10 MR. ROBERTSON: That's okay. I don't have a
11 problem with that.

12 And you also have a witness issue you need to
13 deal with.

14 MR. McDONALD: I think we're moving along at
15 a good enough pace here that this shouldn't be a
16 problem, but we have one fact witness that we don't
17 have under agreement. She's just voluntarily showing
18 up. It's the former IBM lady.

19 Tomorrow is the only day she could testify.
20 She's a validity witness. I think it's going to work
21 out fine. Mr. Robertson has been gracious enough to
22 indicate that if for some reason if Mr. Shamos is up
23 on the stand too long tomorrow, but at this point I
24 don't anticipate that being a problem, he was going
25 to, subject to Your Honor's approval, let us put her

1 on the stand.

2 THE COURT: That kind of thing happens.

3 MR. McDONALD: Her schedule was tough to work
4 with. I thought it was because of that. Even though
5 we're paying her evidently, it's been a challenge.

6 So thank you, Mr. Robertson.

7 I apologize for that, Your Honor.

8 THE COURT: All right.

9 MR. McDONALD: Thank you.

10 THE COURT: Okay. When am I going to get
11 from you-all any memorandum on the leave to file an
12 offer of proof? Or have you agreed that it's okay or
13 has it been filed?

14 MR. MERRITT: It was filed yesterday, Your
15 Honor.

16 THE COURT: No, no, no, I mean the defense's
17 response.

18 MR. McDONALD: If we file it by first thing
19 in the morning, Your Honor.

20 THE COURT: I'm not pushing you to do that.
21 It's not that critical. I just want to do a
22 housekeeping thing. I'm not anxious to break
23 somebody's evening up into a miserable night. It
24 doesn't need to go at that pace. Good Lord, there's
25 enough that has to go at that past anyway.

1 MR. McDONALD: I'm going to propose --

2 THE COURT: Monday or Tuesday?

3 MR. McDONALD: How about the end of the day
4 Monday?

5 THE COURT: Okay. Will the electronics still
6 work?

7 THE CLERK: I think it will. Let me check.

8 MR. CARR: Your Honor, the courthouse would
9 be closed. So we wouldn't be able to deliver a
10 courtesy copy to you; is that correct?

11 THE COURT: But Ms. Haggard knows how to work
12 the magic twanger.

13 MR. CARR: Well make arrangements with
14 Ms. Haggard to get you your copy. Thank you, Your
15 Honor.

16 THE COURT: All right. Did you have some
17 kind of thing about slides that need to be dealt with
18 that we're going to use in Dr. Shamos' testimony or
19 have you all worked that out?

20 MR. McDONALD: I was trying to get through a
21 lot of this without even using some of them. So I'm
22 going to try to look at that overnight here and maybe
23 we can do a little more back and forth and try to
24 narrow it down a little more.

25 THE COURT: That sounds fine.

1 All right. Your cases, Ms. Stoll-DeBell, do
2 they deal on this absence of counsel, opinion of
3 counsel, do they have any cases where some court has
4 actually addressed this issue in terms of showing
5 infringement and the intent element of infringement.
6 It's too late. Induced infringement. Sorry.

7 Did your cases have any direct relevance or
8 is this by analogy by you, too?

9 MS. STOLL-DeBELL: No, Your Honor, we're
10 unable to find any case anywhere that has found that
11 the decision not to waive attorney-client privilege is
12 relevant to the intent element of inducing
13 infringement.

14 In fact, as I was reading the *Broadcom* case,
15 and it's in our memo as well, after the section we
16 were reading today, it actually goes on to say the
17 fact that *Qualcomm* had gotten invalidity opinions and
18 decided not to waive attorney-client privilege. That
19 actually was excluded from evidence in that case.

20 THE COURT: By the trial judge?

21 MS. STOLL-DeBELL: Yes. And the Court said
22 that was the right thing to do. In these cases,
23 *Broadcom* relates to a failure to get opinion of
24 counsel. It's a very different thing, Your Honor.

25 THE COURT: It is a different thing in many

1 ways, but, honestly, it is very confusing, I think.
2 Frankly, I think the whole opinion of counsel
3 jurisprudence of the Federal Circuit needs to be
4 revisited, but I don't want to be the vehicle for
5 occasioning revisitation.

6 I just think it's gotten kind of confused as
7 the law has gotten shifted with Seagate and some of
8 these other cases. But I don't want to be the
9 vehicle.

10 All right. Mr. Strapp, did you find any
11 cases that were right on point like you said you'd do?

12 MR. STRAPP: No, Your Honor. I thought there
13 might be a district court case on point. I went back
14 and checked it, but it's not specifically on that
15 point.

16 THE COURT: Did anybody check to see if there
17 were any Law Review articles on the non-disclosure of
18 counsel? Sometimes the absence of proof or authority
19 is a good thing, too.

20 MR. STRAPP: Your Honor, we did find a few
21 cases that talk about that in the context of
22 willfulness, but that's specifically distinguished
23 from the context of indirect infringement.

24 THE COURT: The problem I see is that there's
25 a tension between the concept that you shouldn't --

1 you don't have a duty to go running around getting
2 opinions and the nondisclosure of an opinion.

3 And if you really get down -- what is the
4 phrase you-all use? Drill down into the whole
5 jurisprudence of it, I think there are some
6 fundamental flaws because what it does is basically,
7 in allowing that information in, because it runs afoul
8 of the basic rule that you can't have this jury
9 speculating about what the answer to the opinion that
10 wasn't disclosed was. And that's the problem.

11 And I understand your position. You're
12 arguing for an extension of the law that is reflected
13 in *Broadcom*, and I'll hear further. I'll read these
14 cases and hear argument tomorrow.

15 MS. STOLL-DeBELL: Your Honor, I just note
16 that we're very concerned about the questions and the
17 impression it left with the jury.

18 THE COURT: I can solve it depending on the
19 ruling, won't I?

20 MS. STOLL-DeBELL: Okay.

21 THE COURT: We'll say "strike the evidence"
22 if the answer is it doesn't come in. Don't you think?

23 MS. STOLL-DeBELL: Yes.

24 THE COURT: Is that what you want me to do?

25 MS. STOLL-DeBELL: Yes, we have several

1 instructions that we think will be appropriate.

2 THE COURT: Several? How about one good one?

3 MS. STOLL-DeBELL: One with many facets, Your
4 Honor.

5 THE COURT: Listen, I'm going to make you sit
6 on the jury. I think every lawyer ought to have to
7 sit on a jury and ought to have to listen to these
8 instructions and try to figure out what do they mean.
9 Because if you read them from the jury's standpoint,
10 particularly these model instructions in the patent
11 area, what they're doing is -- nobody has really made
12 a real good effort to simplify them yet.

13 Judge Spencer did better in SAP in
14 simplifying the instructions than almost anybody I've
15 ever seen, but there have with some legal changes
16 since that time that prohibit me from adopting them
17 full scale.

18 All right. That takes care of them. I'm not
19 real hopeful that you're going to get your evidence or
20 I don't think you ought to be hopeful that you're
21 going to get that evidence in, Mr. Robertson, because
22 it seems to me it invites the jury to speculate and
23 it's a problem, I think.

24 MR. ROBERTSON: I understand, Your Honor.
25 We're also concerned about prejudice given the fact we

1 proffered that in good faith when it came up with the
2 witness that he had a lay opinion as to his intent. I
3 thought it was relevant then because his lay opinion
4 as to the intent I didn't think was very persuasive,
5 but if you go get a legal opinion on these issues that
6 obviously involve the patents, and then you make the
7 conscious decision not to disclose it, I think that's
8 part of the circumstantial evidence they can consider.

9 I understand Your Honor's ruling.

10 THE COURT: I haven't rules.

11 MR. ROBERTSON: I understand Your Honor's
12 suggestion which way you might rule, but you're going
13 to be fair and read the papers.

14 THE COURT: I thought maybe if I gave you all
15 some insight into where I was right now since we're on
16 the fly that your arguments might be better informed
17 in the morning, just as my thinking will be better
18 informed if I read what you-all tendered for me to
19 read.

20 Thank you so much for the overnight present.
21 I appreciate it.

22
23 (The proceedings were adjourned at 5:26 p.m.)
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